



Department of Justice

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SIX DEFENDANTS CHARGED IN WIDE-RANGING RACKETEERING AND EXTORTION SCHEME

WASHINGTON, D.C. – Assistant Attorney General Christopher A. Wray of the Criminal Division, U.S. Attorney Gregory A. White of the Northern District of Ohio, and U.S. Attorney Michael T. Shelby of the Southern District of Texas today announced the unsealing of a 45-count indictment charging six defendants in a wide-ranging public corruption and fraud scheme, including charges of conspiracy to commit racketeering (RICO), extortion and mail and wire fraud in furtherance of the corrupt activity.

The indictment by a federal grand jury in Cleveland, Ohio, charges: Nate Gray, 47, of Orange Village, Ohio; Joseph Jones, 36, of Cleveland, Ohio; Richard Teamor, 58, of Aurora, Ohio; Monique McGilbra, 41, of Houston, Texas; Brent Jividen, 42, of Medina, Ohio; and Gilbert Jackson, 58, of New Orleans, Louisiana with, among other things, providing numerous things of value, including money and luxury items, that were provided to public officials in return for official acts.

The charges in the indictment span multiple states and set forth in detail a wide range of corrupt activity. Specifically, the indictment charges that Nate Gray, who operated his business in a Shaker Square office; Brent Jividen, who worked in the Cleveland office of a New Jersey company that pursued public contracts; and Gilbert Jackson, who is a senior vice president of an international engineering firm, conspired to violate racketeering laws from at least the mid-1990s to the present.

It further charges that these three, along with Cleveland City Councilman Joseph Jones, Cleveland area lawyer and businessman Ricardo Teamor, and Monique McGilbra, who headed the Building Services Department for the City of Houston, Texas, committed numerous acts of extortion and deprived the public of the honest services of its public officials, using the mails and telephones to further their scheme.

Oliver Spellman, the former chief of staff to the former Mayor of Houston; Emmanuel Onunwor, the former Mayor of East Cleveland, Ohio, who was convicted this summer on 22 counts of corruption related activity; and Garland Hardeman, a former California elected official who pleaded guilty to federal charges in the Central District of California, are also discussed in the indictment as part of what is termed the "Gray enterprise."

A few examples of the extortion payments to public officials alleged and described in the indictment are:

- Numerous cash payments that Gray made to Onunwor that were the subject of Onunwor's own trial and convictions in the summer of 2004;

- A \$2,000 cash payment by Gray to Spellman that was covered by Spellman's guilty plea last month;
- Two football-related trips that Gray and Jividen provided to McGilbra, including a \$4,500 weekend trip to the 2002 NFL Super Bowl in New Orleans for McGilbra and her boyfriend, who were entertained by Jackson on their arrival;
- A \$700 Louis Vuitton purse that McGilbra selected for herself and Gray purchased for her;
- A dinner costing nearly \$1,000 that Gray purchased for McGilbra and her family in Miami Beach, Florida, as well as limousine service; and
- The \$5,000 interest-free loan by Gray and Teamor to Jones that was the subject of Jones' earlier indictment and at least one other payment.

In addition to the RICO conspiracy, extortion and fraud charges, Gray is also charged with evading payment of over \$1.5 million in back taxes due and owed the United States during the same period as he ran his corrupt racketeering enterprise in the indictment. The taxes due are a result of the determination of Gray's tax liability following his conviction for tax evasion for the years 1982, 1983 and 1984, on or about Dec. 13, 1990.

The current maximum potential penalties for conspiracy to commit racketeering (RICO) in violation of Title 18, United States Code, Section 1962(d), extortion, in violation of Title 18, United States Code, Section 1951, and honest services mail and wire fraud, in violation of Title 18, United States Code, Sections 1341, 1343 and 1346 are 20 years imprisonment, a \$250,000 fine and three years of supervised release following any period of incarceration for each count of conviction. The criminal tax count carries a five-year statutory maximum penalty of imprisonment.

"The indictment unsealed today demonstrates the importance that the Department of Justice has placed on combating all forms of public corruption," said Assistant Attorney General Wray. "This investigation, which combined the resources of the Justice Department, U.S. Attorney's offices and other federal investigative agencies, has uncovered a nationwide web of alleged racketeering, extortion and official corruption."

United States Attorney Gregory White said this of the indictment filed today: "This indictment is another major step in a joint, ongoing investigation. Multi-jurisdictional investigations such as this are extremely complex and time consuming. At the same time, the harm caused to communities by widespread public corruption demands that investigations be pursued aggressively. We will continue to follow this investigation wherever and to whomever the facts may lead. I would like to compliment the FBI, the IRS, the Public Integrity Section of the Criminal Division of the Department of Justice, and the United States Attorney's Office in Houston for their outstanding work on this case."

"Today's indictment demonstrates the national scope of our commitment to confront allegations of corruption at all levels of government," said Michael Shelby, United States Attorney for the Southern District of Texas. "We will continue to work closely with our colleagues in Cleveland to ensure that this matter is fully and fairly prosecuted."

“The charges in this indictment cover a wide variety of public corruption and fraud schemes,” said Gary Klein, Acting Special Agent in Charge of the Cleveland Division of the FBI. “While the vast majority of public officials are honest and maintain high ethical standards it is unfortunate that certain individuals who are elected or appointed to serve the public chose only to serve themselves. Abuse of the public trust cannot and must not be tolerated.”

“Criminal Investigation concentrates its resources on the tax and money laundering aspects of these investigations in cooperation with other federal law enforcement agencies. Our expertise in conducting financial investigations has helped to establish our reputation as one of the leaders in the fight against corrupt public officials. When an IRS Special Agent is successful in following the money trail, often a tax liability and a trial are waiting at the end,” said Vince Williams, Special Agent in Charge of the Cleveland Field Office of the IRS, Criminal Investigation.

The case is being prosecuted by Assistant United States Attorneys Steven M. Dettelbach and Benita Y. Pearson, with the assistance of Trial Attorney Mary K. Butler of the Criminal Division’s Public Integrity Section, headed by Section Chief Noel L. Hillman.

An indictment is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

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